

ST 01-0115-GIL 07/02/2001 CERTIFICATE OF REGISTRATION

A business that sells tangible personal property at retail in Illinois is required to obtain a Certificate of Registration from the Department. See 35 ILCS 120/2a. (This is a GIL).

July 2, 2001

Dear Xxxxx:

This letter is in response to your letter dated June 15, 2001. The nature of your letter and the information you have provided require that we respond with a General Information Letter, which is designed to provide general information, is not a statement of Department policy and is not binding on the Department. See 2 Ill. Adm. Code 1200.120(b) and (c), which can be accessed at the Department's Website at <http://www.revenue.state.il.us/legalinformation/regs/part1200>.

In your letter, you have stated and made inquiry as follows:

Our office received a letter Illinois Department of Revenue concerning the aforementioned business. This was in response to our letter requesting registration status of said company. The letter stated that the business was not registered, and requesting that any grants being awarded to this firm be held pending resolvment of these matters. Included is a copy of [this] letter for your convenience.

LLC was established to hold title to a parcel of real estate to be rented out to affiliated businesses. There will not be any employees or sales tax collected by the LLC, therefore, is there any need for them to be registered with the department? They are registered with the Illinois Secretary of State's office as a LLC.

If you have any questions concerning this letter, please feel free to contact me.

You have inquired about the registration status of a particular company. We would need to know more about the business activities of LLC in order to determine if it would be required to be registered or incur liability under the several sales or excise taxes administered by the Illinois Department of Revenue.

You indicate that the business would not incur sales tax liability, presumably because they do not make sales of tangible personal property at retail. Please be advised that in addition to Retailers' Occupation Tax (sales tax), there are several other sales and excise taxes whose provisions could subject an Illinois business to tax remittance or registration requirements.

We have forwarded a copy of your letter to our Income Tax Legal Division. They should be responding to you under separate cover.

I hope this information is helpful. The Department of Revenue maintains a Web site, which can be accessed at www.revenue.state.il.us.

Very truly yours,

Karl W. Betz
Associate Counsel

KWB:msk
Enc.